



## **EXECUTIVE COMMITTEE NOTICE/AGENDA**

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PARTICIPANT CODE:**

**1-800-839-9416  
2982825**

**DATE:** Tuesday, February 9, 2016  
**TIME:** 12:30 p.m. – 3:30 p.m.  
**LOCATION:** State Council on Developmental Disabilities  
1507 21<sup>st</sup> Street, Suite 210  
Sacramento, CA 95811

### **TELECONFERENCE LOCATION(S):**

Tarjan Center at UCLA  
760 Westwood Plaza  
58-228 Semel Institute  
Los Angeles, CA 900195-1759

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## **AGENDA**

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| 1. <b>CALL TO ORDER</b>         | N. Yang |
| 2. <b>ESTABLISH QUORUM</b>      | N. Yang |
| 3. <b>WELCOME/INTRODUCTIONS</b> | N. Yang |

### 4. **PUBLIC COMMENTS**

*This item is for members of the public only to provide comments and/or present information to the Council on matters **not** on the agenda. Each person will be afforded up to three minutes to speak. Written requests, if any, will be considered first.*

5.	<b>APPROVAL OF THE OCTOBER 29, 2015 MINUTES</b>	N. Yang	3
6.	<b>CLOSED SESSION – PERSONNEL</b> Pursuant to Government Code 11126 (a)(1), the Council will have a closed session to consider the evaluation of performance of a public employee.	Bocanegra/Lopez	
7.	<b>RECONVENE OPEN SESSION</b> Pursuant to Government Code Section 11126.3 (f), there will be an announcement of any action(s) taken during closed session.	Bocanegra/Lopez	
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15.	<b>ADJOURNMENT</b>	N. Yang	

**Executive Committee Meeting Minutes  
October 29, 2015**

**Attending Members**

April Lopez (FA)  
David Forderer (SA)  
Janelle Lewis (FA)  
Nancy Clyde (SA)  
Ning Yang (SA)  
Sandra Smith (FA)

**Members Absent**

Kecia Weller (SA)

**Others Attending**

Aaron Carruthers  
Natalie Bocanegra  
Robin Maitino  
Julian Garcia  
Sabrina Smith

**1. Call to Order**

Chairperson Ning Yang (SA) called the meeting to order at 10:20 A.m. and established a quorum.

**2. Welcome and Introductions**

Members and others introduced themselves.

**3. Public Comments**

There were no public comments.

**4. Approval of August 20 and April 14 (Corrected) Meeting Minutes**

It was moved/seconded (Smith [FA]/Forderer [SA]) and carried to approve the August 20 and April 14 (corrected) meeting minutes as presented.  
(Unanimous: Lopez [FA], Forderer [SA], Clyde [SA], Yang [SA], Smith [FA], Lewis [FA])

**5. AIDD/MTARS Update**

Executive Director Aaron Carruthers provided an update on the Council's compliance task progress, stating with SCDD's September submission, 76% of AIDD deliverables have been submitted in just 9 months. As reported at the September Council meeting, SCDD requested that California be removed from reimbursement status given its significant accomplishments in such a short period of time and the fact that the remaining items group into longer term tasks. Staff has not received a response to this request as of yet.

6. **Establishment of December Council Agenda and Review of 2016 Council Planning Calendar**

Council Chair April Lopez presented a draft 2016 Council Planning Calendar to Committee members stating that she would like to start the planning of topic-centered Council meetings starting in January of 2016. Committee members were very interested in pursuing this approach and directed staff to rework the draft and present the idea to the full Council.

Staff member Robin Maitino updated Committee members on 2016 Council meeting dates stating that the January meeting is scheduled to take place at the Hilton Arden West on January 20<sup>th</sup> with remaining dates to be determined based on new information that Councilmembers prefer to not meet on Wednesdays.

7. **Regional Advisory Committee Policy Recommendation**

The Committee reviewed a request from Joyce McNair, a member of the Outreach Workgroup of the Self-Determination Advisory Committee. Ms. McNair recently attended the Sacramento Regional Office RAC meeting at which she requested that the Council consider funding some marketing materials to help spread the word about Self-Determination.

This concept to raise awareness was discussed at length by Committee members. They directed staff to inform Ms. McNair that this idea would be referred to the Statewide Self-Determination Committee.

8. **Conflict of Interest (COI) Code Amendment**

Legal Counsel Natalie Bocanegra presented proposed FPPC COI Code Category 1 amendments to the Committee. These amendments were proposed as part of the Council's biennial review of its Code as required by the FPPC rules.

It was moved/seconded (Lopez [FA]/Forderer [SA]) and carried to recommend that the Council approve the proposed changes as presented and also including the following language inserted after "persons with developmental disabilities": "for the purpose of addressing developmental disabilities issues." (Unanimous: Lopez [FA], Forderer [SA], Clyde [SA], Yang [SA], Smith [FA], Lewis [FA])

9. **Conflict of Interest Waiver Request (COI) and Interim Process**

Executive Director Carruthers updated Committee members on the progress of seeking clarification on the Department of Developmental Services regulations ("regs"). These regs require that the Council review and take action on Regional Center COI Waiver requests for both board members and the Executive Director. Director Carruthers stated that he and Legal Counsel Natalie Bocanegra met with several DDS staff, including DDS Chief Deputy Director John Doyle, on October 5<sup>th</sup> to begin discussions on clarifying and possibly amending the DDS regs.

Ms. Bocanegra presented two Regional Center COI Waiver requests to the Committee consideration.

This first request was for Far Northern Regional Center's (FNRC) Board Member Michelle Phillips. Ms. Phillips is a regional center consumer and is employed by We Care A Lot, a provider of services to the regional center. In addition, Ms. Phillips' sister is the program manager for the Parent and Infant Program, also a FNRC-vendored service provider. Ms. Phillips was previously granted a conflict of interest waiver in 2012, 2013 and 2014 by Area Board 2 and the Council.

The catchment area of FNRC is predominantly rural, and it is difficult to recruit qualified members for the board. FNRC has a public member recruitment and appointment process which is subject to public review. Where there are County Coordinating Councils, the Councils make recommendation to the County Board of Supervisors who make the actual appointment. FNRC at-large positions are announced through the regional self-advocacy groups.

The Committee reviewed and discussed the information submitted with this request.

It was moved/seconded (Forderer [SA]/Smith [FA]) and carried to approve the COI Waiver Request for Board Member Michelle Phillips provided that she does receive services from FNRC and complies with the resolution plan submitted above. (In favor: Lopez [FA], Forderer [SA], Yang [SA], Smith [FA], Lewis [FA]; Abstain: Clyde [SA],



The second request was for Inland Regional Center's Board member Sheela Stark. Ms. Stark has a sister who works for In Roads Creative Programs, Inc. (In Roads), an IRC provider. Ms. Stark's sister provides respite services to only their brother, a regional center client.

It was moved/seconded (Forderer [SA]/Smith [FA]) and carried to approve the COI Waiver Request for Board Member Sheela Stark.. (In favor: Lopez [FA], Forderer [SA], Yang [SA], Smith [FA], Lewis [FA]; Oppose: Clyde [SA],

10. **2016 Council Meeting and Executive Committee Dates**

This item was merged into agenda item 6.

11. **Executive Director Evaluation**

Legal Counsel Bocanegra presented the updated Executive Director Timeline, based on the new evaluation period from July 15, 2015, through July 15, 2016. Committee members reviewed clarifying edits that were also made and directed staff to come up with supplemental questions that would allow information on the Executive Director's accomplishments during evaluation period to be shared with the Committee and Council.

It was moved/seconded (Smith [FA]/Forderer [SA]) and carried to adopt staffs clarifying edits to the Executive Director Evaluation Tool/Timeline. The Committee further acted to direct staff to develop supplemental questions relating to Executive Director accomplishments. (Unanimous: Lopez [FA], Forderer [SA], Clyde [SA], Yang [SA], Smith [FA], Lewis [FA])

12. **Closed Session – Personnel**

The Committee went into Closed Session.

13. **Reconvene Open Session**

No actions were taken.

14. **Adjournment**

Chairperson Yang (SA) adjourned the meeting at 1:07 p.m.

## COUNCIL AGENDA ITEM DETAIL SHEET

**BILL:** SCR 98, as introduced, Beall. California's community-based developmental services system: 50th anniversary.

**ISSUE:** Should the Council help commemorate the 50th anniversary of California's community-based developmental services system?

**SUMMARY:** This measure would recognize the year of 2016 as the 50th anniversary of California's community-based developmental services system, and would reaffirm the commitment of the Legislature to support this system.

**BACKGROUND/ISSUES/ANALYSIS:** Text of the Senate Concurrent Resolution:

WHEREAS, Fifty years ago, the State of California piloted a new approach to serving individuals with developmental disabilities by enacting a bold new direction in public-private partnership that fundamentally changed and dramatically improved the quality of life for individuals with developmental disabilities and their families, and that would become a model for the nation; and

WHEREAS, That partnership model was based on the premise that the services required of a regional center are of such a special and unique nature that they could not be satisfactorily provided by state agencies and thus required private nonprofit entities to contract with the state to meet the unique needs of the different geographic regions; and

WHEREAS, In 1965, Assembly Bill 691 established a pilot program that created two regional centers in 1966, one at Children's Hospital Los Angeles, later named Frank D. Lanterman Regional Center, and another at San Francisco Aid Retarded Children, Inc., later named Golden Gate Regional Center, with the Regional Center of the East Bay formed later from the latter project's eastern region; and

WHEREAS, The pilot program was so successful that it was turned into a permanent statewide program in 1969 by Assembly Bill 225, known as the Lanterman Mental Retardation Services Act; and

WHEREAS, In 1973, Assembly Bill 846 recast the act as the Lanterman Developmental Disabilities Services Act and proposed expansion of eligibility for regional center services to individuals with cerebral palsy, epilepsy, and autism, among other developmental disabilities; and

WHEREAS, In 1977, the Lanterman Developmental Disabilities Services Act was passed, enumerating various rights to individuals with developmental disabilities, enshrining the role of regional centers as advocates for those rights, and creating an individualized planning process that forms the core of the uniquely tailored services and supports that each participating individual receives; and

WHEREAS, Regional centers provide service coordination to ensure that the needs of individuals with developmental disabilities are met through a combination of natural supports, generic services, and the purchase of vendored services; and

WHEREAS, Community-based service providers offer an array of services in each community to meet the unique needs of every individual with a developmental disability, doing so at significant cost savings to the State of California when compared to the cost of institutional care; and

WHEREAS, California's network of regional centers and service providers serve nearly 300,000 individuals with developmental disabilities who, as a result of the service, are able to live, work, grow, and thrive in the community; and

WHEREAS, Years of underfunding have reduced access to needed services and supports, have threatened the sustainability of the system as a whole, have strained families, and have reduced the quality of life for individuals with developmental disabilities; and

WHEREAS, The active support and leadership of the Legislature is a critical component of any and all efforts to reinvigorate and renew the community-based developmental services system; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, that the Legislature hereby recognizes the year of 2016 as the 50th anniversary of California's community-based developmental services system; and be it further

Resolved, That the Legislature declares the importance of ensuring a sustainable system that protects the rights of individuals with developmental disabilities and their full inclusion into community life; and be it further

Resolved, That the Legislature reaffirms its commitment to defend, support, and advance the community-based developmental services system; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the author for appropriate distribution.



**DISCUSSION:** Concurrent Resolution - A measure that can be introduced in either House, but must be approved by both Houses and filed with the Secretary of State to take effect. The Governor's signature is not required. (Source: Legislature. Ca. Gov).

**RECOMMENDATION:** Support SCR 98 (Beall).

**COUNCIL STRATEGIC PLAN OBJECTIVE:** AII.

**ATTACHMENTS:** None.

**PREPARED:** Bob Giovati

January Report  
Expenditures through  
**November-15**

FEDERAL GRANT (BSG)

	Annual Grant Award	Monthly Expenditure	Year-To-Date Expenditure	Year - End Balance	Projected Y E Surplus/Deficit
Personal Services & Benefits	\$ 5,374,900	\$ 376,512	\$ 751,585	\$ 4,623,315	\$ 144,232
Operating Expenses	\$ 1,089,000	\$ 110,548	\$ 189,949	\$ 899,051	\$ -433,469
Grants / Special Items	\$ -	\$ -	\$ -	\$ -	\$ -260,000
<b>Total</b>	<b>\$ 6,463,900</b>	<b>\$ 487,060</b>	<b>\$ 941,534</b>	<b>\$ 5,522,366</b>	<b>\$ -549,237</b>

QUALITY ASSURANCE (QA)

	Annual Budget	Monthly Expenditure	Year-To-Date Expenditure	Year - End Balance
Personal Services & Benefits	\$ 1,749,000	\$ 140,253	\$ 687,456	\$ 1,061,544
Operating Expenses	\$ 835,000	\$ 49,999	\$ 249,961	\$ 585,039
<b>Total</b>	<b>\$ 2,584,000</b>	<b>\$ 190,252</b>	<b>\$ 937,417</b>	<b>\$ 1,646,583</b>

CRA/VAS

	Annual Budget	Monthly Expenditure	Year-To-Date Expenditure	Year - End Balance
Personal Services & Benefits	\$ 1,219,055	\$ 91,038	\$ 495,074	\$ 723,981
Operating Expenses	\$ 557,945	\$ 8,839	\$ 53,581	\$ 504,364
<b>Total</b>	<b>\$ 1,777,000</b>	<b>\$ 99,877</b>	<b>\$ 548,655</b>	<b>\$ 1,228,345</b>

January Report  
Expenditures through  
**December-15**

FEDERAL GRANT (BSG)

	Annual Grant Award	Monthly Expenditure	Year-To-Date Expenditure	Year - End Balance	Projected Y E Surplus/Deficit
Personal Services & Benefits	\$ 5,374,900	\$ 453,470	\$ 1,205,055	\$ 4,169,845	\$ 138,670
Operating Expenses	\$ 1,089,000	\$ 171,756	\$ 361,705	\$ 727,295	\$ -483,522
Grants / Special Items	\$ -	\$ -	\$ -	\$ -	\$ -260,000
<b>Total</b>	<b>\$ 6,463,900</b>	<b>\$ 625,226</b>	<b>\$ 1,566,760</b>	<b>\$ 4,897,140</b>	<b>\$ -604,852</b>

QUALITY ASSURANCE (QA)

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	Annual Budget	Monthly Expenditure	Year-To-Date Expenditure	Year - End Balance
Personal Services & Benefits	\$ 1,743,876	\$ 136,221	\$ 823,677	\$ 920,199
Operating Expenses	\$ 892,234	\$ 118,141	\$ 368,102	\$ 524,132
<b>Total</b>	<b>\$ 2,636,110</b>	<b>\$ 254,362</b>	<b>\$ 1,191,779</b>	<b>\$ 1,444,331</b>

CRA/VAS

	Annual Budget	Monthly Expenditure	Year-To-Date Expenditure	Year - End Balance
Personal Services & Benefits	\$ 1,215,055	\$ 91,378	\$ 586,452	\$ 628,603
Operating Expenses	\$ 557,945	\$ 57,001	\$ 110,582	\$ 447,363
<b>Total</b>	<b>\$ 1,773,000</b>	<b>\$ 148,379</b>	<b>\$ 697,034</b>	<b>\$ 1,075,966</b>

# 2017-21 (Proposed) State Plan

<p><b>Goal 1: Employment</b></p> <p>Californians will receive the necessary information, tools and supports to invest in and increase competitive, integrated employment opportunities for people with I/DD.</p>	
1.	The Council will identify, create and disseminate supportive, culturally competent strategies that facilitate competitive, integrated employment (CIE) of people with I/DD. Training and outreach will include self-advocates as trainers. Training will include information about accommodations, assistive technology needs, adaptive equipment, and services.
2.	The Council will work with its federal partners to develop and support legislation to increase CIE for people with I/DD. This will include the development and dissemination of resources to access vocational training and higher education.
3.	The Council will collaborate with state and local agencies to collect employment data and monitor/report progress toward all outreach efforts and CIE for people with I/DD.

<p><b>Goal 2: Housing</b></p> <p>People with I/DD have access to affordable and accessible housing that provides control, choice and flexibility regarding where and with whom they live.</p>	
1.	The Council will identify short and long-term housing strategies for the development and/or provision of available low-cost, safe, fully integrated community housing for people with I/DD.
2.	The Council will monitor and address barriers to accessible, integrated housing.

<p><b>Goal 3: Health and Safety</b></p> <p><b>Californians w/ I/DD will have increased access to health, public safety, and related services that meet their needs and health care preferences.</b></p>	
<p><b>1. The Council and its collaborative federal partners will provide training to 1,200 people with I/DD, their families, and caregivers about the availability of and access to health and public safety-related services and supports.</b></p>	
<p><b>2. The Council, its federal partners, and self-advocates will offer information and at least 20 trainings to law enforcement/court personnel, health care providers, and/or other care professionals about disability-related health and safety issues. This will include information about assistive technology and augmentative communication.</b></p>	
<p><b>3. The Council and its federal partners will support legislative and other efforts to increase accessibility to health care services and decrease service disparities in unserved/underserved populations in California.</b></p>	
<p><b>Goal 4: Early Intervention &amp; Education (Transition &amp; PSE)</b></p> <p><b>People with I/DD and their families will have increased information, training &amp; guidance to obtain inclusive education services throughout the lifespan.</b></p>	
<p><b>1. The Council and its federal partners will increase the number of children identified for early intervention services through training and dissemination of information on developmental milestones and intervention services for families and care providers of young children.</b></p>	
<p><b>2. The Council will collaborate with its federal partners to provide information, training and technical assistance to professionals and at least 2,000 families and/or self-advocates, at least 750 of whom are Spanish-speaking, so that they are prepared to effectively advocate for appropriate inclusive educational services. Training will include restrictions regarding the use of seclusion and restraint.</b></p>	
<p><b>3. The Council will provide information and technical assistance to prepare at least 1,000 students and/or their families to become effective advocates in developing transition plans that address independent living options &amp; PSE/Vocational training, supports and services. These outreach efforts will include professionals.</b></p>	



<p><b>Goal 5: Formal &amp; Informal Community Supports</b></p> <p>People with I/DD and their families have support to access community-based services available to the general population.</p>
<p>1. The Council will solicit data twice per year from its state and federal partners to identify and respond to disparities and gaps in services for populations of unserved/underserved people with I/DD. This will include meeting mandates for providing information in other languages.</p>
<p>2. The Council will provide support and training to at least 1,500 people with I/DD and families to implement the Self-Determination Program and will convene at least 2 annual meetings of the statewide Self-Determination Advisory Committee.</p>
<p>3. The Council will establish partnerships with stakeholders to annually monitor the transition process of people with I/DD from institutional to community settings to ensure that appropriate placements and services are available.</p>

<p><b>Goal 6: Self-Advocacy</b></p> <p>People with I/DD and families have the information, skills, opportunities and support to advocate for their rights and services and to achieve independence, self-determination, productivity, integration and inclusion in all areas of community life. This will include youth and cross-disability groups.</p>
<p>1. The Council will provide financial and in-kind staff support to family and self-advocates statewide and will annually train 1,500 people with I/DD to become effective self-advocates. This will include understanding and accessing opportunities for the Self-Determination Program.</p>
<p>2. The Council will provide train-the-trainer workshops to promote self-advocate leadership within the statewide network, annually preparing at least 50 self-advocates as trainers.</p>
<p>3. The Council and its federal partners will collaborate to ensure that training and materials are culturally and linguistically appropriate. This will include access to assistive technology.</p>

## COUNCIL MEETING NOTICE/AGENDA



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**1-800-839-9416**  
**2982825**

**DATE:** Tuesday, March 8, 2016  
**TIME:** 10:00 a.m. – 5:00 p.m.  
**LOCATION:** Crowne Plaza Sacramento  
5321 Date Ave  
Sacramento, CA 95841  
Phone: (916) 338-5800

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| 1. CALL TO ORDER   | A. Lopez |             |
| 2. ESTABLISH QUORUM  | A. Lopez |             |
| 3. WELCOME/INTRODUCTIONS   | A. Lopez |             |
| 4. PUBLIC COMMENTS   |          |             |
| <i>This item is for members of the public only to provide comments and/or present information to the Council on matters <b>not</b> on the agenda. Each person will be afforded up to three minutes to speak. Written requests, if any, will be considered first.</i> |          |             |
|  5. APPROVAL OF JANUARY 2016 MINUTES  | A. Lopez | 4           |
|  6. CHAIR REPORT  | A. Lopez |             |

For additional information regarding this agenda, please contact Robin Maitino, 1507 21<sup>st</sup> Street, Ste. 210, Sacramento, CA 95811, (916) 322-8481. Documents for an agenda item should be turned into SCDD no later than 12:00 p.m. the day before the meeting to give members time to review the material. The fax number is (916) 443-4957.

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## 2016 Proposed Executive Committee Dates

Month	Proposed Date	Location
February	Tuesday, February 9, 2016	HQ Office
April	Tuesday, April 12, 2016	HQ Office
June	Tuesday, June 14, 2016	HQ Office
August	Tuesday, August 16, 2016	HQ Office
October	Tuesday, October 11, 2016	HQ Office



## EXECUTIVE COMMITTEE AGENDA ITEM DETAIL SHEET

### ISSUE: AMENDMENT OF SCDD CONFLICT OF INTEREST CODE

**BACKGROUND:** Under state law, SCDD has a conflict of interest code (COI Code) that provides rules for all Council Members and certain employees to follow. The COI Code lists positions and assigns categories that tell what information a person has to report when he or she fills out the Statement of Economic Interests (Form 700). The Form 700 is a public document that alerts public officials and members of the public to the types of economic interests (i.e. assets) that may create conflicts of interests. SCDD is required to review its COI Code every two years and report to the Fair Political Practices Commission (FPPC) whether the Code needs to be amended. AB 1595 made changes relating to SCDD staff positions which make it necessary to now review and amend the COI Code. In addition, the Code must reasonably assure that assets which may be affected by Council decisions are addressed.

The COI code applies to “designated employees.” Under state law, “designated employees” includes Council Members.

**ANALYSIS/DISCUSSION:** Because AB 1595 resulted in the elimination and creation of certain SCDD positions, SCDD is required to review and amend its COI code.

The COI code is required to list any position which makes or participates in making decisions which may foreseeably have a material effect on any economic interest such as an investment, real property, business position, or source of income or gifts. (See Gov. Code § 82019(a)(3).) Typically, positions that involve voting, negotiating contracts, or making recommendations on purchases without substantive review must be included in a COI Code. Therefore, the proposed COI Code includes an updated “Designated Employees” list. This list addresses staff changes resulting from AB 1595 and also includes positions that were created since the Code was last adopted in 2003.

SCDD also must review the categories that tell what information must be reported. In accordance with this review, staff recommends changes to Category 1 in order to follow the FPPC rules. The proposed language is meant to capture the reporting of economic interests (e.g. assets) that may give rise to a potential conflict of interest.

At the January 2016 Council meeting, the Council was presented with decision points as discussed in the “SCDD Conflict of Interest Code: Decision Points.” (Attached.) In order to provide an easier-to-apply standard and have more complete reporting, the

Council voted to select Decision A, Option 1. This option requires reporting of a business or source of income that has any involvement with developmental disabilities products or services. Under this option, it is not required to figure out whether the business's or source of income's involvement with developmental disabilities products or services is its primary activity.

With regard to Decision B, the Council decided to further consider whether certain sources of income should be excluded from reporting on the Form 700. In order to address this issue, the Council asked for further development of a possible definition of "direct services." Approaches to defining this term are provided in the Decision B attachment.

In addition to these proposed changes, technical changes will be made to the first page of the COI Code so that it matches the updated Fair Political Practices Commission template.

**COUNCIL STATE PLAN GOAL:** Goal 1: Self Advocacy (1.1) - Council will train, support and empower 1,450 self-advocates and continue to promote stability and expansion of the statewide self-advocacy network through financial and in-kind support. Compliance with the conflict of interest rules is required in order to serve on the Council.

**PRIOR COUNCIL ACTIVITY:** Approval of current COI code by the Council and FPPC in 2003. In September 2015, Administrative Committee reviewed and made minor edits to Category 1 with direction to staff to present revisions to the Executive Committee prior to approval by the Council. In October 2015, the Executive Committee reviewed, made additional edits to the Category 1 language, and recommended the Council approved the proposed language. At the December 2015, the Council reviewed proposed language and asked staff to return with clarifying language. At its January 2016 meeting, the Council voted for a broader approach to the reporting of businesses and sources of income under Decision A, Option 1, and at the same time decided to further consider Decision B issues, in particular the definition of "direct service."

**RECOMMENDATION(S):** Staff recommends review of proposed language.

**ATTACHMENTS(S):** SCDD Conflict of Interest Code Decision Points document; Decision B attachment; SCDD COI Code with proposed changes (strikeout version); SCDD COI Code with proposed changes (clean version); Current SCDD COI Code; Questions and Answers document.

**PREPARED:** Legal Counsel Natalie Bocanegra, January 27, 2016.

## **DECISION B**

### **Approaches to Defining “Direct Service”**

The following language is proposed if the Council wants to exclude certain sources of income from reporting under the Council’s Conflict of Interest Code:

“A source of income is not reportable if the source of income is an individual who provides income to the designated employee solely for a direct service.”

#### **POSSIBLE APPROACHES**

Below are possible approaches to defining “direct service”:

- **Approach Based on Patient or Client Case (discussed at Jan mtg.)**  
For purposes of this Code, a “direct service” is an active service on cases and work with patients or clients as distinguished from staff functions like administrative or consulting services. Direct services include, but are not limited to, health, welfare, educational, and legal services.
- **Approach Based on Type of Matter**  
For purposes of this Code, a “direct service” is a service provided directly to an individual that is provided to address a health, welfare, educational, or legal matter of the individual. “Direct services” do not include consultant services.
- **Approach Based on Service to an Individual (Not About an Entity)**  
For purposes of the Code, a “direct” service is a service provided to an individual but does not include professional or expert advice, other than legal advice, pertaining to a business or nonprofit entity.

**STATE COUNCIL ON DEVELOPMENTAL DISABILITIES**

**Conflict of Interest Code**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the State Council on Developmental Disabilities (SCDD).

Individuals holding designated positions shall file their statements of economic interests with the SCDD, which will make the statements available for public inspection and reproduction (Gov. Code Sec. 81008). Upon receipt of the statements from individuals in the following designated positions, the SCDD shall make and retain copies and forward the originals to the Fair Political Practices Commission:

- SCDD Members including ex officio Members.
- SCDD Designee (designated alternate) Members.
- SCDD Executive Director.

All other statements will be retained by the SCDD.

# **APPENDIX A**

## **Designated Employees**

## **Applicable Disclosure Categories**

Members, State Council on Developmental Disabilities, including ex officio Members	1, 2
Designee (designated alternate) Members, State Council on Developmental Disabilities	1, 2
Executive Director, State Council on Developmental Disabilities	1, 2
Chief Deputy Director, State Council on Developmental Disabilities	1, 2
Deputy Directors, State Council on Developmental Disabilities	1, 2
Staff Services Manager II (Managerial)	1, 2
Staff Services Manager I	1, 2
Attorney	1, 2
Community Program Specialist IV	1, 2
Community Program Specialist III	1, 2
Consultants*	1, 2

## **DISCLOSURE CATEGORIES**

### **Category 1**

- (a) Except as limited in subsection (b) and (c) below, a designated employee in this category must report:
  - (1) Business entities in which the designated employee has an investment or a business position; and
  - (2) Sources of income, including income that is in the form of gifts, loans, and travel payments, whether or not the source is a nonprofit organization.
- (b) A business entity or source of income is only reportable under this category if the business entity or source of income engages in offering, providing, purchasing or contracting for products or services concerning persons with developmental disabilities for the purpose of addressing developmental disabilities issues, including but not limited to consulting, representation, advocacy or direct services.

- (c) **{DECISION B}** A source of income is not reportable if the source of income is an individual who provides income to the designated employee solely for direct services.

**[NOTE: If Decision B language is included, take out "direct services" from prior section.]**

### **Category 2**

A designated employee in this category must disclose business entities in which he or she has an investment or a business position and sources of income, including gifts, loans, and travel payments, if the business entities or sources of income are of the type which within the previous two years contracted with the State Council on Developmental Disabilities to provide equipment, leased space, materials, supplies or services, including consulting services, to or on behalf of the State Council on Developmental Disabilities.

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SCDD Conflict of Interest Code

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\* With respect to Consultants, the Executive Committee may, however, determine and document in writing that a particular consultant, although a "designated person," is hired to perform a range of duties that are limited in scope and thus is not required to comply with the disclosure requirements described in this Section. Such determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director will retain a copy of this determination and make it available for public inspection. Nothing herein excuses any such consultant from any other provision of this Conflict of Interest Code.

Note: Authority: Government Code Section 87300 - 87302 and 87306.

**STATE COUNCIL ON DEVELOPMENTAL DISABILITIES**  
**Conflict of Interest Code**

The Political Reform Act, ~~(Government Code Section 81000, et seq.)~~, requires state and local government agencies to adopt and promulgate ~~c~~Conflict of ~~i~~nterest ~~c~~odes.

The Fair Political Practices Commission has adopted a regulation, ~~(2 California Code of Regulations Section 18730)~~, ~~which that~~ contains the terms of a standard ~~c~~onflict of ~~i~~nterest ~~c~~ode, which can be incorporated by reference ~~in an agency's code.~~ After public notice and hearing, the standard code and which may be amended by the Fair Political Practices Commission to conform to amendments ~~to in~~ the Political Reform Act. ~~after public notice and hearings.~~ Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference, along with the attached. This regulation and the attached Appendix, designating positions and establishing disclosure categories, shall in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the ~~c~~onflict of ~~i~~nterest ~~c~~ode of the State Council on Developmental Disabilities (SCDD).

~~Designated employees~~Individuals holding designated positions shall file their statements of economic interests with the ~~State Council on Developmental Disabilities~~SCDD, which will make the statements available for public inspection and reproduction (Gov. Code Sec. 81008). Upon receipt of the statements from individuals in the following designated positions, the SCDD ~~The Council~~ shall make and retain a copy~~copies~~ and forward the originals of the following statements to the Fair Political Practices Commission:

- SCDD ~~M~~members including ex officio ~~M~~members.
- SCDD Designee (designated ~~alternate)~~ ~~M~~members.
- SCDD Executive Director.

All other statements will be retained by the SCDD.

## APPENDIX A

### Designated Employees

### Applicable Disclosure Categories

Members, State Council on Developmental Disabilities, including ex officio <del>M</del> members	1, 2
<del>Alternate Designee (designated alternate)</del> -Members, State Council on Developmental Disabilities	1, 2
<del>Members, Area Boards on Developmental Disabilities</del>	<del>1, 2</del>
Executive Director, State Council on Developmental Disabilities	1, 2
Chief Deputy Director, State Council on Developmental Disabilities	1, 2
Deputy Directors, State Council on Developmental Disabilities	1, 2
<del>Executive Directors of local Area Boards on Developmental Disabilities</del>	<del>1, 2</del>
<del>Staff Services Manager II (Managerial)</del>	<del>1, 2</del>
Staff Services Manager I	1, 2
<del>Staff Counsel/Attorney</del>	<del>1, 2</del>
<del>Community Program Specialist IV</del>	<del>1, 2</del>
<del>Community Program Specialist III</del>	<del>1, 2</del>
Consultants*	1, 2

## DISCLOSURE CATEGORIES

### Category 1

- (a) ~~Except as limited in subsection (b) and (c) below, A~~ a designated employee in this category must ~~disclose report:~~
- (1) ~~b~~ Business entities in which ~~he or she~~ the designated employee has an investment or a business position; ~~and~~
- (2) ~~s~~ Sources of income, including ~~income that is in the form of~~ gifts, loans, and travel payments, whether or not the source is a nonprofit organization ~~if the business entities or sources of income, receive public funding and have as at least ten percent (10%) of their clientele, persons with developmental disabilities.~~
- (b) ~~A business entity or source of income is only reportable under this category if the business entity or source of income engages in offering, providing, purchasing or contracting for products or services concerning persons with developmental disabilities for the purpose of addressing developmental disabilities issues, including but not limited to consulting, representation, advocacy or direct services.~~

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SCDD Conflict of Interest Code

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(c) ~~{DECISION B}~~ A source of income is not reportable if the source of income is an individual who provides income to the designated employee solely for direct services.

*[NOTE: If Decision B language is included, take out "direct services" from prior section.]*

## **Category 2**

A designated employee in this category must disclose business entities in which he or she has an investment or a business position and sources of income, including gifts, loans, and travel payments, if the business entities or sources of income are of the type which within the previous two years contracted with the ~~agency~~ State Council on Developmental Disabilities to provide equipment, leased space, materials, supplies or services, including consulting services, to or on behalf of the ~~agency~~ State Council on Developmental Disabilities.

\* With respect to Consultants, the Executive ~~Director~~ Committee may, however, determine and document in writing that a particular consultant, although a "designated person," is hired to perform a range of duties that are limited in scope and thus is not required to comply with the disclosure requirements described in this Section. Such determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director will retain a copy of this determination and make it available for public inspection. Nothing herein excuses any such consultant from any other provision of this Conflict of Interest Code.

Note: Authority: Government Code Section 87300 - 87302 and 87306.

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SCDD Conflict of Interest Code

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**STATE COUNCIL ON DEVELOPMENTAL DISABILITIES**  
**Conflict of Interest Code**

The Political Reform Act, Government Code Section 81000, et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes.

The Fair Political Practices Commission has adopted a regulation, 2 California Code of Regs. Section 18730, which contains the terms of a standard Conflict of Interest Code, which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission to conform to amendments to the Political Reform Act after public notice and hearings. Therefore, the terms of 2 California Code of Regs. Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict of Interest Code of the State Council on Developmental Disabilities.

Designated employees shall file statements of economic interests with the State Council on Developmental Disabilities. The Council shall make and retain a copy and forward the original of the following statements to FPPC:

- SCDD members including ex officio members.
- SCDD alternate members.
- SCDD Executive Director.



## APPENDIX A

### Designated Employees

### Applicable Disclosure Categories

Members, State Council on Developmental Disabilities, including ex officio members	1, 2
Alternate Members, State Council on Developmental Disabilities	1, 2
Members, Area Boards on Developmental Disabilities	1, 2
Executive Director, State Council on Developmental Disabilities	1, 2
Chief Deputy Director, State Council on Developmental Disabilities	1, 2
Deputy Directors, State Council on Developmental Disabilities	1, 2
Executive Directors of local Area Boards on Developmental Disabilities	1, 2
Staff Services Manager 1	1, 2
Staff Counsel	1, 2
Consultants *	1, 2

## DISCLOSURE CATEGORIES

### Category 1

A designated employee in this category must disclose business entities in which he or she has an investment or a business position and sources of income, including gifts, loans, and travel payments, if the business entities or sources of income, receive public funding and have as at least ten percent (10%) of their clientele, persons with developmental disabilities.

### Category 2

A designated employee in this category must disclose business entities in which he or she has an investment or a business position and sources of income, including gifts, loans, and travel payments, if the business entities or sources of income are of the type which within the previous two years contracted with the agency to provide equipment, leased space, materials, supplies or services, including consulting services, to or on behalf of the agency.

(+)

\*With respect to Consultants, the Executive Director may, however, determine in writing that a particular consultant, although a "designated person," is hired to perform a range of duties that are limited in scope and thus is not required to comply with the disclosure requirements described in this Section. Such determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director will retain a copy of this determination and make it available for public inspection. Nothing herein excuses any such consultant from any other provision of this Conflict of Interest Code.

Note: Authority: Government Code Section 87300-87302 and 87306

This is the last page of the conflict of interest code for the **State Council on Developmental Disabilities**.



## CERTIFICATION OF FPPC APPROVAL

Pursuant to Government Code Section 87303, the conflict of interest code for the **State Council on Developmental Disabilities** was approved on **June 13, 2003**.

A handwritten signature in dark ink, appearing to read 'Mark Krausse', written over a horizontal line.

Mark Krausse  
Executive Director  
Fair Political Practices Commission

Pursuant to Government Code Section 11346.2

Secretary of State Filing Date: 8/13/03

Effective: 9/13/03

**SCDD CONFLICT OF INTEREST CODE  
PROPOSED AMENDMENTS  
QUESTIONS & ANSWERS**

**1. What is a Conflict of Interest Code?**

A Conflict of Interest Code (COI Code) gives employees and the public information about individuals who work for an agency. The COI Code lists the people who are required to file a Form 700 and report their “economic interests” (real property, investments, and sources of income). The COI Code also tells which types of economic interests have to be reported.

**2. Why do we need a COI Code if we already have a Form 700?**

The Form 700 gives general rules for reporting *all* economic interests. In comparison, the COI Code gives specific reporting rules for a particular agency and may require *less* reporting. Under the law, people should only have to report items that can be affected by their specific government work. Therefore, an agency must use the COI Code to limit reporting to only those items that could be affected. The COI Code tells each individual what reporting rules apply to him or her.

**3. Why are we changing our COI Code now?**

Changes are recommended due to AB 1595 amendments affecting SCDD’s structure and potential conflict of interest issues identified during review. State law requires that each COI Code reflect the current structure of the agency and properly identify officials who should be reporting on the Form 700.

#### **4. What are my responsibilities as a Council member when considering proposed changes?**

As a Council Member, you are required to review proposed changes to the COI Code. State law requires that the COI Code reasonably address all foreseeable potential conflict of interest situations. However, the need to provide information to the public must be balanced with an individual's right to privacy. Your responsibility is to think about these issues when reviewing the changes.

#### **5. What changes are being proposed?**

One main change is to update the position list due to AB 1595 organizational changes and other changes since the code was last adopted in 2003.

Another main change is to eliminate the Category 1 rule that a business or source of income is reportable only if it:

- 1) receives public funding; and
- 2) has 10% of its clientele persons with developmental disabilities.

Staff recommends replacing this "public funding – 10% clientele" rule because it is too narrow and does not adequately address foreseeable conflict of interest situations. The recommendation is to replace this with a rule based on whether a business or source of income deals with products or services concerning persons with developmental disabilities.

An option is provided to address how much a business or source of income is involved with these types of products or services. Another option is provided to exclude reporting of individuals who are patients, clients, and others paying for direct services.

**6. How will the proposed changes affect my reporting?**

If you have an economic interest such as a businesses or source of income that is involved with developmental disabilities products or services, you may have additional reporting.

**7. What is “primary activity?”**

It is up to you to determine the “primary activity.” The primary activity of a business or source of income may be figured out by a relative share of production costs and/or capital investment. In practice, other variables, such as revenue, value of shipments, or employment are used. This approach is based on the North American Industry Classification system.

**8. Are Council Members “Designated Employees?”**

Yes. Under the Government Code, a “designated employee” includes any officer, employee, member, or consultant of an agency whose position is listed in a COI Code because the position “entails the making or participation in the making of decisions which may foreseeably have a material effect on any financial interest.”

**9. Do doctors have to report their patients? Do attorneys have to report their clients?**

A patient or client does not have to be reported if the law protects their confidentiality. However, generally, the rules of Regulation 18740 must be followed before a patient, client, or other protected person can be excluded from reporting. Decision B is meant to address this issue.

**10. How will the proposed changes affect whether I have a conflict of interest?**

The proposed changes only deal with reporting. They do not change the conflict of interest rules that deal with participating in decisions.

**11. What are the next steps?**

Proposed changes will be submitted to the FPPC for review. Public comment will also begin.